



Michael Preston  
SECRETARY OF COMMERCE

Alan McClain  
COMMISSIONER,  
ARKANSAS INSURANCE  
DEPARTMENT

June 9, 2022

*Via Certified Return Receipt No. 7020 0090 0000 1730 5941 and U.S. Mail*

Mr. Issachar Jarrett  
Jarrett Funeral Home  
P.O. Box 122  
Blytheville, AR 72316-0122

**RE: In the Matter of Jarrett Funeral Home  
AID Tracking # 148451**

Dear Mr. Jarrett:

Please find the following Notice of Hearing:

### **NOTICE OF PUBLIC HEARING**

You are advised that an administrative hearing will take place on **July 12, 2022**, at **10:00 a.m.** in the Diamond Mine Room on the 2<sup>nd</sup> Floor of the Department of Commerce Building, 1 Commerce Way, Little Rock, AR 72202. The hearing will be held before Insurance Commissioner Alan McClain, or his designated Hearing Officer, concerning the following matters. The Hearing is your opportunity to defend Jarrett Funeral Home against the following allegations, and against the possible revocation of the funeral home's prepaid funeral benefits permit.

### **ALLEGATIONS**

1. Respondent Jarrett Funeral Home does not currently hold a prepaid funeral benefit permit because it failed to renew the permit prior to the deadline on May 31, 2022.
2. Respondent submitted some reports late, during the 2019 and 2020 year, but paid the appropriate late fees.

3. On July 8, 2021, Respondent submitted the renewal for the prepaid funeral benefits permit, 26 business days past the deadline of May 28, 2021.
4. Respondent's Second Quarter 2021 report was due on August 16, 2021, and has not been submitted. Respondent owes a \$250 late fee for this missing report.
5. Respondent's 2021 Annual Report was due March 15, 2022, and has not been submitted. Respondent owes a \$250 late fee for this missing report.
6. Respondent's First Quarter 2022 report was due May 16, 2022, and has not been submitted. Respondent owes a \$250 late fee for this missing report.

#### APPLICABLE LAW AND CHARGES

1. Ark. Code Ann. §§ 23-61-101, *et seq.*, assigns the responsibility for administration of the Arkansas Insurance Code to the Arkansas Commissioner of Insurance (hereinafter referred to as the "Commissioner"). The Department is the lawful agency through which the Commissioner administers the Arkansas Insurance Code, and the Department is authorized to bring this action for the protection of Arkansas consumers.
2. The Commissioner has jurisdiction over the parties and subject matter pursuant to Ark. Code Ann. §§ 23-40-101, *et seq.*, and 23-61-103.
3. Ark. Code Ann. §§ 23-40-101, *et seq.*, assigns the responsibility for administration of the Arkansas Prepaid Funeral Benefits Law to the Commissioner. The Department is the lawful agency through which the Commissioner administers the Arkansas Prepaid Funeral Benefits Law.
4. Ark. Code Ann. § 23-40-111(a)(2) requires the permit holder to "be deemed by the commissioner to be competent, trustworthy, and financially responsible to engage in the sale of prepaid funeral contracts in this state."
5. Ark. Code Ann. § 23-40-119(d)(1)(B) and (C), and (e), require the quarterly reports and fees to be filed, and provides for the levy of a late penalty for any untimely filings, and for the failure to submit the filings.
6. Ark. Code Ann. § 23-40-119(a) requires the annual report and annual report fee to be filed with the Insurance Commissioner on or before March 15 of each year.

7. Ark. Code Ann. § 23-40-110(a) requires organizations desiring to sell prepaid funeral benefits to be licensed to do so. Subsection (b) authorizes the Department to collect a \$200 permit renewal fee.
8. Respondent's conduct as detailed in Allegation 5 above, is in violation of Ark. Code Ann. § 23-40-119(a) in that the 2021 annual report and fees were not filed and paid on or before March 15, 2022.
9. Respondent's conduct as detailed in Allegations 4 and 6 above, is in violation of Ark. Code Ann. § 23-40-119(d)(1)(B) and (C) in that the quarterly reports were not filed timely.
10. Respondent's conduct as detailed in Allegation 1 above, is in violation of Ark. Code Ann. § 23-40-110(a).
11. Respondent's conduct as detailed in Allegations 4, 5, and 6 above, is in violation of Ark. Code Ann. § 23-40-111(a)(2) in that failing to remit overdue fees renders Respondent financially irresponsible.
12. Respondent's conduct as detailed in Allegations 1 and 3 through above, is in violation of Ark. Code Ann. § 23-40-111(a)(2) because Respondent cannot be said to be "competent, trustworthy, and financially responsible to engage in the sale of prepaid funeral contracts in this state."

NOTICE:

You have the right to be represented by counsel of your own choosing at this proceeding. Additionally, the Commissioner will obtain a competent reporter to record the hearing. You may avail yourself of other privileges, including the Department's assistance in issuing subpoenas to any needed witnesses or records.

Your written notification by mail, email or facsimile, that you have received this Notice of Hearing, must be received in this office within **ten (10) days of your receipt** of this notice. If your written notification is not received by the Department within ten (10) days, any and all expenses incurred by the Department in continuing the hearing or in notification of witnesses, including, but not limited to, phone calls, issuance of subpoenas and postage, will be charged to the party or parties requesting such continuance. If you or your attorney determines that a continuance is necessary, please call me at (501) 371-2820.

The Department will make all Hearing Exhibits available to you upon timely request, as required by and in conformity with the Arkansas Administrative Procedure Act., Ark. Code Ann. § 25-15-208.

In lieu of a hearing, you may dispose of this matter by signing a consent order. If you wish to discuss this option, please call me at 501-371-2820.

Sincerely,

A handwritten signature in black ink, appearing to read 'AG', with a long horizontal flourish extending to the right.

Amanda Gibson  
Associate Counsel/Legal Division  
(501) 371-2820